

FINANCIAL PROVIDING OF ENTERPRISES' INNOVATION ACTIVITY

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The innovative trend of modern informative society and comparatively low level of enterprises' innovative activity have caused considerable scientific and technological lag in Ukraine. Thus it is necessary to develop effective organizational and economic methods of management aimed to achieve the economic growth and social progress. Analysis of dynamic processes in developed countries show that innovations are preconditions of strategic advantages and competitiveness on micro and macro levels. Furthermore, innovative activity is a base of paying capacity and profitability of economy agents in the framework of unstable political and economic terms. However, the problem of financial deficit is still urgent for Ukrainian enterprises.

It should be said, that theoretical and methodological questions of innovative activity, development and management are research object for many scientists in our country and abroad, among them: V. Aleksandrova, L. Antonyuk, I. Balabanov, P. Druker, R. Foster, A. Galchinskiy, V. Geets, G. Goldshtein, S. Ilyashenko, L. Krushvits, P. Solou, B. Twiss, S. Valdaytsev, V. Zombart etc. However, scientific and methodical approaches to financial providing of innovative activity require further development and improvement. You must take into account national features.

The research purpose is to analyze modern alternative forms of financial providing of enterprises' innovative activity.

On the basis of the world experience in financing in novations, key sources of financial providing include: self-financing (equity capital, profit, amortization, issue of shares and debt securities etc.); banking credits; venture capital; private, corporate, internal and foreign investments; budgetary facilities; government privileges and stimulant measures etc.

Obviously, self-financing is the most common used source, but it isn't enough to provide sufficient volume of monetary resources for realization of innovative activity. Besides it, financial institutions and companies are often reluctant to back research-intensive investments due to the inherent relatively high levels of uncertainty and risk compared to more traditional business areas. Thus, venture capital or banking credits may become a good solution, but they are expensive and have a lot of limitations.

Looking at this situation in a wider context, international financial programs should be mentioned. Firstly, a good chance for innovative enterprises is proposed by The Risk Sharing Financing Facility (RSFF). RSFF is an innovative, debt-based facility designed by the European Commission and the European Investment Bank as part of EU's 7th Research Framework Program with the purpose to create additional capacity for higher-risk financing to support the research, technological development and innovation activities. Besides, small and medium-sized enterprises (SME) have a possibility to take part in Competitiveness and Innovation Framework Program (CIP). CIP is a European Commission program which aims to encourage the competitiveness of enterprises, support innovation and provide better access to finance to generate economic growth and create more jobs as well as boost productivity, competitiveness and innovation. GIF targets seed and start-up investments, providing capital focusing on specific sectors, technologies or research.

In conclusion, enterprises should use a combination of all above mentioned alternative financial sources. In turn, Ukrainian government needs to pay attention to above-listed programs and adopt such practices to increase financial base of innovation activity.